

RESOLUTION No. 97 121

WHEREAS, in early 1996 the Olmsted County Board of Commissioners selected a 49 member task force to examine and make recommendations regarding the usage, management, and long term capital needs of Graham Park; and,

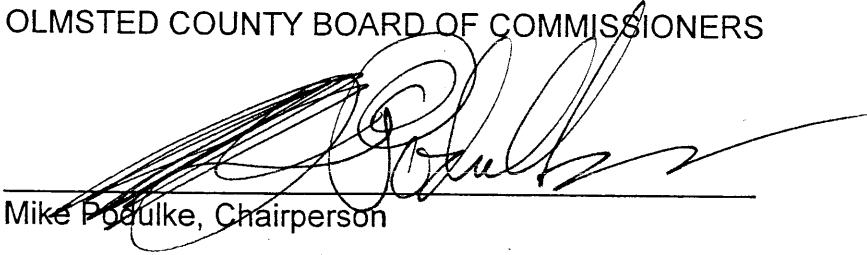
WHEREAS, the task force met six (6) times in sessions of four (4) hours each and submitted it's findings to the Olmsted County Park Commission for further refinement on June 17, 1996; and,

WHEREAS, the Park Commission has considered task force and staff recommendations and prepared the Graham Park Development and Management Plan as a guide for the County Board in deciding issues regarding the usage, management, and infrastructure needs of Graham Park;

NOW THEREFORE BE IT RESOLVED, that the Olmsted County Board of Commissioners hereby accepts the Graham Park Development and Management Plan and extends its gratitude to the task force and Park Commission for the efforts that went into its preparation.

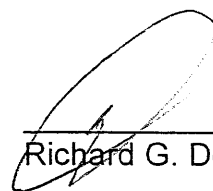
Dated at Rochester, Minnesota this 14th day of October, 1997.

OLMSTED COUNTY BOARD OF COMMISSIONERS



Mike Paulke, Chairperson

ATTEST:



Richard G. Devlin, Clerk-Administrator

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GRAHAM PARK DEVELOPMENT AND MANAGEMENT PLAN

EXECUTIVE SUMMARY

The County has for years been studying a number of infrastructure projects on the Graham Park property. Before making these expenditures, the Board requested that a long range plan be prepared outlining future uses of the facility. The Board also asked for suggestions on how to sustain the operation of Graham Park with less local property tax dollars.

A process was established by the Olmsted County Board and Administration to review the short and long term capital needs of Graham Park. The Board asked the Olmsted County Park Commission and staff to make recommendations to the Board by the end of 1996. A task force was appointed to provide input into the process. The task force submitted the following recommendations to the Park Commission last summer.

- One manager for all Graham Park facilities reporting to the County Board.
- Recommend establishing 5, 10, and 50 year plans for Graham Park development.
- Improvements to be included in the plans are:
 - Additional multi-use arenas
 - Improvements to the campground
 - Perimeter fence around the entire grounds
 - Elimination of the half-mile track
 - Construction of additional parking
 - Utility improvements (i.e. electrical and plumbing)

The Park Commission considered the task force report and identified goals to be achieved at Graham Park. (By priority)

- Primary goal is to provide a suitable site for the fair.
- Provide space for amateur sports.
- Recover more costs through rental revenues with less reliance on property tax dollars.
- Serve as an economic development tool by attracting visitors to the community.

The above goals were considered in preparing the Five Year Capital Improvement Program. (Not in order of priority).

- (2) Perimeter fence
- (1) Additional multi-use arena
- (2) Improvement of existing campground to meet health and safety codes
- (1) Elimination of one-half mile track
- (2) Electrical and plumbing improvements
- (1) Remove Midway bathrooms
- (3) Develop and implement a landscape plan to improve aesthetics
- (3) Cosmetic renovation of Buildings 31, 35, and the Beer Garden
- (2) Blacktop overlay parking lots and streets
 - (1) *Being completed*
 - (2) *Being planned*
 - (3) *In Capital Improvement Plan*

To meet the needs of the community a fund should be established for capital improvements. The Park Commission recommends establishment of a capital improvement fund in the amount of \$125,000 per year to maintain and upgrade facilities.

Joel Stoehr provided the task force and park commission with a vision of the park for the future. Mr. Stoehr has some interesting thoughts as to what may be on the park grounds 50 years from now.

- Highway buildings will be removed and additional space will be available for the park
- Linkage from downtown to Graham Park to the airport by light rail
- Bicycle and pedestrian paths along the railway
- Sports usage of the track and infield with grandstands for spectator seating
- Welcoming center, interpretive center, exhibit areas
- A winter park
- Paths, gardens, etc.

MANAGEMENT

The task force and Park Commission recommend that management control continue with the County except for the periods when the arenas are under ice, at which time City staff would manage the ice arenas and the County would manage all the other facilities. The administrator recommends that management of the entire park be done by the City of Rochester under agreement with the County on funding and management responsibilities.

FUNDING

- Operating revenue should be generated from building and facility rentals (i.e. ice arenas, shows and exhibits, storage, and some fee for Fair Board usage).
- Capital improvement and operating funds should be generated from the hotel/motel tax and/or the sales tax. The sales tax could be used only if the City of Rochester decides to request an extension of the sales tax. The administrator recommends use of the hotel/motel tax exclusively.

OLMSTED COUNTY

NOVEMBER 1996

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GRAHAM PARK DEVELOPMENT AND MANAGEMENT PLAN

BACKGROUND

The need for a long range development plan for Graham Park has been an issue for years. Requests from special interest groups for new buildings and other improvements are received regularly and offers from private developers to purchase the site for commercial use have also been received. Without a long range plan it is difficult to determine how each request blends with the over all mission of the park.

Task forces appointed in 1983 and 1989 to evaluate Graham Park usage and prepare long range capital improvement plans were only partially successful. Summaries of those reports are included as pages 15 and 16 of the appendix. Complicating factors in developing any plan for this facility include the need to accommodate the divergent and often conflicting needs of various user groups, the need to recognize and deal with the tradition that has accumulated regarding use and management of this facility over 84 years, and the difficulty of identifying a dependable revenue source to finance improvements and operating costs.

In 1995, a request by the Masque Theater to construct a building at Graham Park again affirmed the need for a long range plan. In early 1996, the County Board selected a forty-nine member task force representing a variety of user and community interests to examine the usage, management, and long term capital needs of Graham Park. The Graham Park Task Force met six times in sessions of four hours each and submitted its findings to the Olmsted County Park Commission on June 17, 1996.

The task force recommended appointing one manager for all Graham Park facilities. That manager would report directly to the County Board and be responsible for budgeting, accounting, managing staff, scheduling events, overseeing building maintenance, and insuring that a marketing plan is in place. He or she would work closely with the Rochester Convention and Visitors Bureau to market the facility. The task force also recommended development of long (50

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year) and short (10 year) capital improvement plans. The short term plan would include construction of a new multi purpose arena similar to Graham Arena East, improvements to the existing campground, completion of a six foot perimeter fence around the entire grounds, elimination of the half mile track, construction of additional parking, and improving electrical and plumbing systems to enhance safety.

The Park Commission has considered task force and staff recommendations, tempered them with its own experience and judgment, and prepared a report for the Board of Commissioners. Findings throughout this report are listed in descending order of priority unless noted. Where staff recommendations differ from those of the Park Commission, both options have been listed for Board consideration.

GOALS

The first step in developing this plan was to identify the goals these facilities are expected to achieve. The Park Commission believes the primary goal of Graham Park is to provide a suitable site for the county fair. Secondary goals include providing space for amateur sports, recovering operating costs through rental revenues without reliance on tax dollars, and serving as an engine of economic development by attracting visitors to the community.

DESIGN CONSIDERATIONS

Buildings and other improvements should be designed primarily to facilitate the fair and secondarily to attract sporting events, trade shows and hobby groups, livestock shows and sales, and entertainment events.

SHORT TERM (5 AND 10 YEAR) CAPITAL IMPROVEMENTS

Major capital improvements needed to attract these events are shown on the site plans on pages 31 and 32 of the appendix and identified here in no particular order. They include completion of a perimeter fence to secure the grounds, construction of a third multiple use arena directly north of Graham Arena West, construction of a 70 unit campground meeting state codes, elimination of the half mile track, construction of additional parking, application of a blacktop overlay to all streets and parking lots, replacement of the electrical distribution system, removal of the Midway bathrooms, upgrading plumbing systems to meet code

requirements, development and implementation of a landscaping plan to improve aesthetics, and cosmetic renovation of Buildings 31, 35, and the Beer Garden. The Park Commission recommends establishing a maintenance/repair/replacement fund of \$125,000 annually to keep the facility maintained.

Construction of a third arena and additional parking, replacement of the primary electrical service, removal of the half mile track, and removal of the Midway Bathrooms were begun in 1996. The complete five and 10 year capital improvement programs are shown on the following pages.

GRAHAM PARK 5 YEAR CAPITAL IMPROVEMENT PLAN

PROJECT	1996/1997	1998	1999	2000	2001
Complete perimeter fence	20000				
Complete Graham Arena North	1600000				
Remove 1/2 mile track/construct new pkg lot	54000				
Blacktop overlay streets and parking lots	42000				
Blacktop overlay Graham West parking lot	10000				
Replace primary electrical service	48200				
Remove Midway bathrooms	2000				
Graham Arenas improvements	15000	25000	25000	25000	25000
Replace walk in doors bldgs 35, 41, 42	3000				
Replace overhead doors bldg 41		7800			
Improve campground to code		35000			
Improve plumbing to code		20000			
Install athletic lighting/racetrack infield		85000			
Paint Beer Garden		2000			
Remodel building 35			25000		
Landscaping improvements		25000			
Build additional pkg lot adjacent to grandstand					90000
Maintenance/repair/replacement fund			75000	100000	10000
Totals	1794200	199800	125000	125000	125000

** Maintenance/repair/replacement fund of \$125,000 annually established in 1999.

Levy remains constant at \$125,000 less the capital expenditures in any given year.

GRAHAM PARK 5 - 10 YEAR CAPITAL IMPROVEMENT PLAN

PROJECT	2002	2003	2004	2005	2006
Construct Masque Theater	0				
Construct additional arena		1,600,000			
Remove and replace Building 25 (old dairy barn)			100,000		
Remove and replace Building 35 (Industrial Building)				150,000	
Remove and Replace Beer Garden					100,000
Maintenance/repair/replacement fund	125,000		25,000		25,000
Totals	125,000	1,600,000	125,000	150,000	125,000

** Maintenance/repair/replacement fund of \$125,000 annually established in 1999.

Levy remains constant at \$125,000 less the capital expenditures in any given year.

LONG TERM CAPITAL IMPROVEMENTS

Foreseeing capital needs up to fifty years in advance is a difficult and chancy venture. However, some capital needs and development opportunities are quite predictable. We know that over the next fifty years many of the existing buildings will need to be replaced. The Highway Department will be moved from its present location and the space and buildings vacated will be available for other activities. City and County population growth will continue and cause a similar growth in demand for Graham Park facilities. Mr. Joel Stoehr, a member of the Graham Park Task Force and local designer, was very helpful in developing a vision of possible uses of Graham Park. Please refer to the vision plan on page 33 of the appendix.

The vision plan shows possible ways Graham Park might develop. All buildings, with the exception of the three arenas, will need to be replaced within 50 years. Other options to consider for long term planning are as follows:

The park will eventually be linked to the downtown area and airport by light rail transit. This will encourage use as an exhibition center and make Graham Park a focal point of the community. Bicycle and pedestrian paths can be incorporated in the railway right of way from the city center. Sports usage should be encouraged by converting the infield of the racetrack into an athletic field and using the grandstand for spectator seating. Space currently occupied by the County Highway shop could accommodate a petting zoo, history and science museum, and park administrative offices. The Midway area could be converted to a permanent amusement park and other buildings used to house an area visitor welcome center with interpretive displays of the history and geology of the region.

FUNDING

Since Graham Park activities generate significant revenues through sales and hotel/motel taxes, the Park Commission selected sales tax as the preferred vehicle for funding capital improvements. This option is possible only if the City of Rochester decides to request an extension of the sales tax and agrees that Graham Park improvements are a legitimate use of those funds. Legislative approval would be required. Other funding mechanisms considered were, in order of preference, hotel/motel taxes, entrance fees to the fair, elimination of free or reduced cost usage, real estate taxes, and higher rental fees.

Staff recommends hotel/motel tax receipts as the preferred financing vehicle.

MANAGEMENT

The Park Commission recommends the Park Division of the County Public Works Department assume responsibility for rental and maintenance of all buildings year around. Management of ice arenas should revert to the city during winter months to utilize city expertise in scheduling and operating ice facilities. Having one entity in charge of all rentals should simplify arrangements for renters and eliminate the current confusion of dealing with the city on the arenas and the county on all other buildings for non-ice activities. The Park Division should work closely with the Rochester Convention and Visitors Bureau to market the facility.

Since sales and hotel/motel tax revenues generated by Graham Park go to the City of Rochester, and because city staff have expertise in the management of ice arenas and exhibition centers, staff recommends management by the city year around.

FREE USAGE

The Park Commission recommends that free and reduced cost usage be eliminated and all users charged an equitable rental fee. This should apply to the county fair, 4H groups, and charitable organizations. The county fair is ideally suited to user fee funding by charging participants. Entrance fees could easily be collected and should more than recoup rental expenses. The excess would be

available to fund capital improvements to enhance the fair. Expenses would be born by the people who attend and enjoy the fair, not added to the burden of county property taxpayers.

Staff recommends that the current four week time slot allotted to set up, operate, and clean up after the fair be shortened to three weeks and the fair assessed a flat \$30,000 annual "usage fee" to repay utility costs and partially offset maintenance expense. Shortening the time allotted to the fair would free an additional weekend for private rental. Staff agrees that free or reduced cost usage by non-profit or charitable groups should be eliminated.

4-H BUILDING

The 4-H Building is used free of charge nearly 100 times per year for 4-H and Extension activities and an equal number of times for paid private rentals. The Park Commission considered the advisability of placing this building under 4-H control, but concluded that it should remain under Park Division management. All renters, including 4-H groups, should be charged rental fees to offset operation and maintenance costs.

Staff recommends that, in lieu of an actual rental fee, 4-H and extension groups be asked to contribute to the capital, operating, and maintenance costs of the facility and that those groups restrict their weekend use of the building to maximize the time available for private rentals.

ROLE OF THE FAIR BOARD

The Park Commission favors expanded use of Graham Park even if that expanded use causes some adjustment in county fair operations. The Fair Board is a major user of the facility and should be consulted along with other users regarding proposed changes. However, final decisions regarding infrastructure should be made by the County Board based on Park Commission recommendations. All users should be expected to respect those decisions. The Park Commission needs to take a more active role in decisions affecting Graham Park.

A recent request by the Rochester Convention and Visitors Bureau to use the turf area of the racetrack infield as a site for the 1998 World Tug of War Championships is a case in point. Hosting this event would require moving the pit area used for automobile races during the fair and fencing the site to protect

the establishing turf. This move would not be unduly disruptive and should be made.

ROLE OF THE CITY OF ROCHESTER

The City of Rochester shares in the benefits of all Graham Park activities through hotel/motel and sales tax receipts. However, the City shares capital costs and operating profit or loss only on the three arenas. The Park Commission unanimously recommends that the City be asked to share in capital costs and operating profit or loss for the entire park.

Respectfully Submitted,

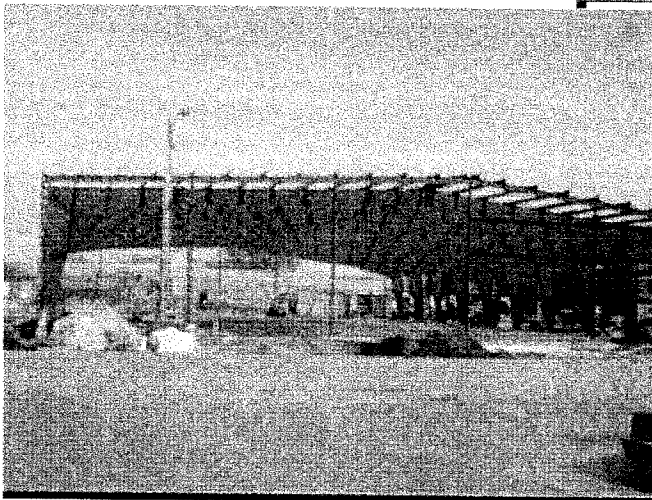
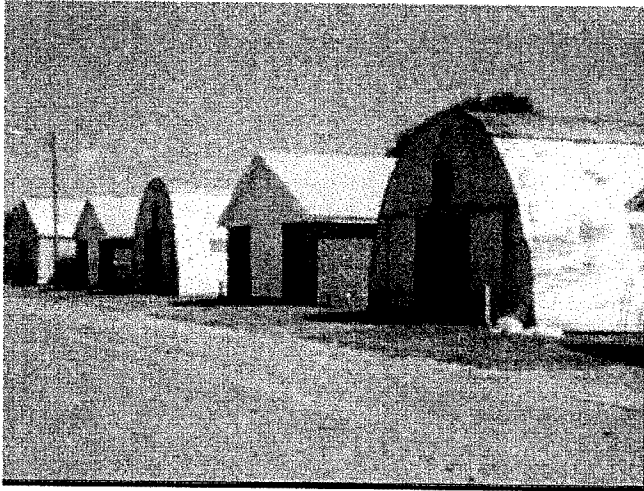
Peter Stellpflug
Chairman
Olmsted County Park Commission

Richard Devlin
County Administrator

Jim Foote
Park Superintendent

Michael Cousino
Public Works Director

Appendix Section



Background Information

The Fairgrounds property was donated to Olmsted County by Dr. Christopher Graham in 1919 for the purpose of establishing a permanent home for the annual county fair. The original deed included restrictions to insure that the property was used for that purpose. All deed restrictions were removed by Dr. Graham's heirs in 1977. Portions of the property have been appropriated for County Highway Department shops and equipment yard and a county office building.

The Olmsted County Agricultural Association (Fairboard) exists by authority granted under Minnesota Statutes Chapter 38 dating back to 1909. The Fairboard has a lease with Olmsted County granting it authority to use 5 buildings year around for storage and office space. This is an annual lease and renews automatically on January 1 of each year unless either party notifies the other of intent to cancel. County Board Resolution 72-42 grants the Fairboard authority to control the use of the grounds two weeks prior to, the week of, and one week following the fair.

1995 Fairground operating expenses are budgeted at \$190,000. Anticipated rental revenues of \$73,000 will reduce the projected operating deficit to \$117,000.

Because of their extensive usage for hockey, both Graham Arenas are operated by the City of Rochester Park Department under an agreement with Olmsted County. In 1994 (first year of operation for Graham Arena East) the two arenas had revenues of \$196,161 and expenses of \$203,909 resulting in an operating loss of \$7748.

Rental fees for Fairground buildings are set by resolution of the County Board. Charitable organizations with a 501-C-3 IRS classification are allowed use of any facility for a flat \$100/day or the regular rental fee, whichever is less. 4-H groups are allowed to use any fairground facilities at no cost.

When the 4-H Building was built in 1956, the various Olmsted County 4-H Clubs contributed \$30,000 toward constructing and equipping the building. In return they have been granted unlimited free use of the facility. In 1994 4-H groups used the building 99 times.

Task forces were appointed in 1983 and 1989 to analyze Fairground usage and develop a long range plan for improvement of the facility. Both plans recommended significant capital investment, but neither was able to determine an appropriate funding source and these plans were only partially implemented.

SUMMARY OF 1983 FAIRGROUNDS TASK FORCE RECOMMENDATIONS

Composition of Task Force

Dr. Paul Zollman	County Park Commission
Ray Aune	Fair Board
Evelyn Hunter	Fair Board
Brenda Rossman	4-H
Tom Halloran	Chamber of Commerce
Doug Krueger	County Board

Note! The Rochester City Council was asked to appoint a representative but declined.

Findings and Recommendations

1. Hosting the annual county fair is the number one priority of the fairgrounds and no decisions affecting the facility should be made without the approval of the Fair Board.
2. 4-H groups should continue to be allowed free usage of the facility but should be required to set up for, and clean up after, their own events.
3. One additional staff person should be hired to be present at all major events and tend to the needs of the users. This recommendation was implemented in 1984.
4. The Convention and Visitors Bureau should be recruited to help market the facility. - Done
5. Construct a marquee to advertise Fairground events. - Done
6. Replace the Beer Garden Toilet Building. - Done
7. Build 100 additional steel horse stalls. - Done
8. Insulate and heat Building 42 and move the milking parlor into it. - Not done
9. Replace the flat roofs on the 4-H Building. - Done
10. Build an additional 40'x100' livestock building. - Done
11. Cover the existing outside horse arena. - Not done
12. Build an additional exhibition building for fair use on the old "Schoolhouse lot". - Not Done

SUMMARY OF 1989 FAIRGROUNDS TASK FORCE RECOMMENDATIONS

Composition of Task Force

Dick Bhend	County Park Commission
Jim Foote	County Parks
Tom Halloran	Chamber of Commerce
Dave Kjome	County Extension Service
Dave Patterson	Youth Hockey
Jim Rossman	County Board
Susan Sponsel Kelly	RCVB
Curt Taylor	Rochester City Parks
Dr. Paul Zollman	Fair Board

Findings and Recommendations

1. Build a second arena. - Done
2. Replace the existing row of quonset buildings with one large structure. - Under Construction
3. Construct an additional exhibition building for fair use on the old "Schoolhouse lot". - Not done
4. Use the existing caretaker's residence site for surface parking. - Done
5. Enlarge existing surface parking. - Done
6. Designate an outside exercise/display area. - Not done
7. Beautify the grandstand and racetrack fence. - Not done
8. Blacktop the racetrack infield for additional surface parking. - Not done

1996 FAIRGROUNDS USAGE

	<u>Rental Fee</u>
January	
Bldg. 41-DC Electronics Sale	\$ 900
Dealers Snowmobile Auction	700
February	
MN State Simmental Sale	850
March	
MN State Holstein Sale	1,500
MN State Angus Sale	760
April	
MN State Guernsey Sale	800
DNR Tree Distribution	0
Rodeo	1,057
3 Yngsdal Flea Markets	550
SCS Tree Distribution	0
Pentecostal Church Auction	360
May	
3 Yngsdal Flea Markets	375
ARC Rummage Sale	140
Rotary II Rummage Sale	160
Goldrush	4,295
Ironwood Springs Rummage Sale	380
Lucky Horseshoe Saddle Club	0
Clements Tent Sale	2,156
Restaurant Equipment Auction	402
3 4-H Horse Training	0
June	
Paws and Claws Rummage Sale	180
Antique Auto Show	240
11 4-H Horse Training	0
4 Yngsdal Flea Markets	500
Lawnmower Dealer Auction	310
Rabies Clinic	0
Senior Citizens Hole In One	160
4-H Heiffer Classic	950
Clinic Residents Dance	150
Pesticide Container Recycling	0

July

6 4-H Horse Training	0
4-H Dairy Day	0
3 Yngsdal Flea Markets	375
MN Street Machines	300
Sierra Club Bicycle Race	100
County Fair	0

August

3 Yngsdal Flea Markets	375
Goldrush	4,655

September

5 Yngsdal Flea Markets	625
Lowell Gilbertson Auction	270
Homier Tool Sale	810
MN Arabian Show	3,784
Youth For Christ Rally	100
1 4-H Horse Training	0
MN Rabbit Breeders Show	900

October

2 Yngsdal Flea Markets	250
Cambodian Society Dance	100
Goldrush	3,580

November

John Kreusel Auction	600
MN Bred Ewe Sale	450

December

Breeders Bonanza Holstein Sale	<u>1,150</u>
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Total **\$36,299**

During 1996 the 4-H Building was or will be used 191 times.

4-H	91
Extension	13
Public Works	2
Fair Board	2
Paid Rentals	83

**FREE AND REDUCED COST USAGE OF THE OLMSTED COUNTY FAIRGROUNDS
EXCLUDING THE 4-H BUILDING AND GRAHAM ARENAS EAST AND WEST - 1996**

Free usage:

	<u>Bldg.</u>	<u>Charge</u>	<u>Normal</u>	<u>Loss</u>
DNR tree distribution	26A	0	\$ 75	\$ 75
SCS tree storage	25	0	200	200
Pesticide container collection	26A	0	75	75
Fair (21 days @ \$1730/day)(excludes GAE & GAW)		0	36330	36330
Fairboard storage 1/4 of bldgs 30,31,40,1/2 of bldg 43,and all of bldg 32 (10042 sq.ft. @ \$.07/sq.ft./mo.)		0	8435	8435
(Fair Board also uses office, police, and conservation buildings at no charge but pays all maintenance costs)				

Reduced Cost Rentals (501-C-3):

	<u>Bldg.</u>	<u>Charge</u>	<u>Normal</u>	<u>Loss</u>
ARC rummage sale	40	\$100	\$ 100	\$ 0
Paws & Claws rummage sale	40	180	180	0
Senior Citizens hole in one	Midway	100	525	425
Rochester Youth for Christ	35	100	150	50
Ironwood Springs Christian Ranch	35	300	390	90
Ponereau Peng (Cambodian IMAA)	35	100	150	50

Free 4-H Fairground Uses:

	<u>Charge</u>	<u>Normal</u>	<u>Loss</u>
Horse training (Arena and Bathrooms) (22 days @ \$50/day)	0	\$ 1100	\$1100
4-H Dairy Day ?	0	50	50
4-H FFA Junior Heifer Classic (Bldgs 25,29,41,42,44 for 4 days)	0	2475	2475

Free Sign Rentals:

4-H Candy Sale	School Referendum		
Ronald MacDonald House	Rochester Art Center		
Health Immunizations	Channel 1		
Child Abuse Month	ARC Rummage Sale		
Special Olympics	RAAMI Walk for Mental Illness		
Mayowood Garden Tour	Take Back the Night		
JSSVP Volunteers	Mayowood Christmas Tours		
Ronald MacDonald-Fete de Noel (15 @ \$80)		1200	<u>1200</u>

**Total cost of free and reduced cost usage of the fairgrounds
excluding the 4-H Building and Graham Arenas East and West**

\$50,555

FREE AND REDUCED COST USAGE OF THE 4-H BUILDING - 1996

Reduced Cost Rentals (501-C-3)

		<u>Charge</u>	<u>Normal</u>	<u>Loss</u>
Ponnereau Peng (IMAA)	5 days	\$500	\$1375	\$ 875
Paws and Claws	2 days	200	550	350
Ski Swap	2 days	200	550	350
Eagles Club Auxilliary	2 days	200	550	350

Free Usage:

4H Events	91 days	0	13650	13650
Extension Office/4-H	13 days	0	1950	1950
Fair Board	2 days	0	550	550
Public Works	2 days	0	300	<u>300</u>

Total cost of free and reduced cost 4-H Building Usage **\$18,375**

**Total cost of free and reduced cost usage-4-H Building
and Fairgrounds (excluding Graham Arenas East and West)**

\$68,930

1996 Operating Budget	\$218,789
Anticipated Rental Revenues	<u>73,400</u>

Anticipated Operating Loss	\$145,389
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FREE USAGE OF GRAHAM ARENAS EAST AND WEST- 1996

	<u>Days</u>	<u>Arena</u>	<u>Charge</u>	<u>Normal</u>	<u>Loss</u>
Senior Olympics	1	GAE	0	1000	1000
Kids Fest	1	GAE	0	1000	1000
Fair (\$1980/day for both arenas)	21	GAE&GAW	0	41580	<u>41580</u>

**Total cost of free usage in Graham Arenas
East and West (City/County split)**

\$43,500

**Total cost of free and reduced cost usage for
the entire Fairgrounds including arenas and
4-H Building**

\$112,430

FAIRGROUND BUILDING INVENTORY

Note: County Fair=1 use

Building Number	Square Footage	Year Built	# of Uses-1994
#25-Dairy Barn	9478	1950's	7
#26-Tile Barn	3851	1940's	3
#26A-Sheep Barn	6360	1970's	6
#27-Quonset	3719	1940's	3
#28-Tile Barn	3851	1940's	3
#29-Quonset	3719	1940's	3
#30-Tile Barn	3851	1940's	3
#31-Stone Building	6206	1930's	1
#35-Industrial Building	7200	1930's	9
#36-4-H Building	7355	1956	210
#40-Futuristic Building	6150	1970's	9
#41-Horsebarn	12551	1972	14
#42-Bovine Building	22620	1979	7
#43-Swine Barn	3080	1984	3
#44-Open Horse Barn	5000	1987	4
Graham Arena West	34876	1970	8 + Hockey
Graham Arena East	28883	1994	4 + Hockey
Grandstand		1930's?	3
Racetrack Infield			4
1/4 mile track			1
1/2 mile track			1
Open Horse Arena			10
Grounds			35
Campground			4
Subtotal	168,750		

Note!

The buildings listed above are the only ones rented out. Those below are either restrooms or are used year around for storage by the Fairboard.

Building Number	Square Footage	Year Built
#6 Fairboard Office	1302	1930's
#7 Conservation Building	2312	1960's
#8 Police Building	528	1960's
#9 Blacksmith Shop	400	1930's
#13 Beer Garden Bathroom	836	1984
#16 Midway Mens Bathroom	361	1930's
16A Midway Womens Bathroom	400	1930's
#32 Beer Garden	4450	1950's
#37 Bathroom next to #40	480	1960's
#38 Garage	<u>240</u>	1960's
Subtotal	11,309	
Extended Total	180,159	

City/County Graham Arena Management Agreement 3/96
20 Year Record
SCHEDULE OF REVENUE/EXPENDITURES/OPERATION RESULTS

Year (West)	Expenditures	Revenues	Deficit	County Contribution	City Contribution
1976 (West)	79,799	28,909	50,890	6,457	44,433
1977	77,100	32,970	44,130	20,445	23,685
1978	80,410	31,794	48,616	22,065	26,551
1979	95,152	30,575	64,577	24,308	40,269
1980	97,764	37,137	60,627	31,326	29,301
1981	140,128	46,263	93,865	30,314	63,551
1982	144,766	46,787	97,979	46,932	51,047
1983	131,039	50,359	80,680	48,989	31,691
1984	126,423	65,909	60,514	40,000	20,514
1985	129,486	63,746	65,740	20,151	45,589
1986	136,755	67,051	69,704	16,432	53,272
1987	122,568	58,087	64,481	17,426	47,055
1988	123,728	57,049	66,679	16,078	50,601
1989	123,680	61,648	62,032	16,669	45,363
1990	133,331	64,906	68,425	15,508	52,917
1991	148,632	77,730	70,902	17,106	53,796
1992	158,055	82,018	76,037	17,726	58,311
1993	175,534	95,815	79,719	19,930	59,789
1994	203,909*	196,161	7,748	3,874	3,874
East & West					
1995	202,053	200,473	1,580	790	790

*Includes \$15,264 of capital items - equipment replacement and building improvements. First year of Graham Arena East Operations. New Management Agreement 50/50 share of capital expenses and operating profit or losses.

CITY/COUNTY GRAHAM ARENA MANAGEMENT AGREEMENT

First year's operating experience with new Graham Arena East and new cost sharing formula.

1994 OPERATIONS VS. 1993 OPERATIONS

	<u>1993 Actual Graham Arena West Only</u>	<u>1994 Actual Graham Arena East & West</u>	<u>Difference</u>	<u>Percent</u>
Operating Losses	\$79,719	\$7,748	-\$71,971	-90.3%
City Share	59,789 (³ / ₄)	3,874 (¹ / ₂)	- 55,915	-93.5%
County Share	19,930 (¹ / ₄)	3,874 (¹ / ₂)	- 16,056	-80.6%

1994 CITY OPERATING BUDGET VS. ACTUAL

	<u>1994 Budget</u>	<u>1994 Actual</u>	<u>Difference</u>	<u>Percent</u>
Operating Revenue	\$164,500	\$196,161	+\$31,661	+19.2%
Operating Expenses	<u>196,457</u>	<u>203,909*</u>	<u>+ 7,452</u>	+ 3.8%
Operating Losses	31,957	7,748	- 24,209	-75.8%
City Share (1/2)	15,978	3,874	- 12,104	
County Share (1/2)	15,978	3,874	- 12,105	

*Includes \$15,264 of capital items: equipment replacement and building improvements. Deducting capital expenses, the operating experience would be a profit of **\$7,516!**

COUNTY OF OLMSTED - CITY OF ROCHESTER
GRAHAM ARENA MANAGEMENT AGREEMENT

THIS AGREEMENT made between the County of Olmsted, a political subdivision of the State of Minnesota, hereinafter called the County, and the City of Rochester, Minnesota, a municipal corporation and city under its Charter and the Laws of the State of Minnesota, hereinafter called the City.

WITNESSETH:

WHEREAS, the County, with the cooperation and financial assistance of the Rochester Youth Hockey Association and the City, have constructed two multi-purpose ice arenas, and with the cooperation and financial assistance of Independent School District #535, State of Minnesota will be constructing an additional multi-purpose ice arena, "Graham Arena North", on the Olmsted County Fairgrounds which collectively are referred to as "Graham Arenas" or "arenas"; and

WHEREAS, the County and the City are desirous of entering into an agreement under the authority of the Joint Exercise of Powers Act (Minnesota Statute Sections 471.59, 471.15, and 471.16) whereby the City, through its Park and Recreation Department, will administer, supervise and maintain Graham Arena East, West, and North.

NOW, THEREFORE, it is hereby mutually agreed between the County and the City as follows:

1. During the period of two weeks before, during, and one week after the Olmsted County Fair each year, the entire multi-purpose Graham Arena buildings shall be under the supervision and control of the County to be devoted to whatever purposes the County deems proper.
2. During the balance of the year, the Graham Arena shall be under the supervision and control of the City for the purpose of providing an exhibition center and public ice skating facility.

3. During the time that the Graham Arena is under the City's control, the City shall perform all functions relating to supervision, scheduling, administration, operation, and maintenance of the building, including major capital repairs and necessary snow removal on walks, drives, and parking areas immediately adjacent to the building. Major capital repairs (costing \$10,000 or more) shall require prior approval of both the City Council and County Board and the City and County will share equally in the costs.

4. The City shall submit to the County Public Works Director and County Administrator for review and comment the operating budget for the Graham Arenas prior to its adoption by the City. The itemized budget will include details of revenues and expenses.

5. Each party shall be responsible for providing general liability coverage for operations under their direction and control, either by purchase of general liability insurance, a self insurance program, or by obtaining certificates of insurance and hold harmless agreements from leasees. The County shall insure the building and improvements for full replacement cost with all risk fire and extended coverage insurance. The City shall insure all contents which it owns.

City and County agree that in the event all or any part of the premises (including any buildings, improvements or other real or personal property located thereon) are damaged or destroyed by fire or other casualty and/or if any time element loss is suffered as a result thereof, the rights or claims of either party or its employees, agents, successors or assigns against the other with respect to such liability for any loss, destruction or damage suffered as a result of negligence of either party or their employees or agents, are hereby released and discharged and any and all subrogation rights or claims under any insurance coverages insuring the Premises and City's or County's property on the Premises are likewise waived to the extent of the insurance coverage carried. All policies of fire and extended coverage, vandalism, malicious mischief and all risk insurance coverage covering the Premises (including all buildings, improvement and other real or personal property) and time element exposures, shall contain a clause or endorsement providing, in substance, that the insurance shall not be prejudiced if the insureds have waived their

rights of recovery (including subrogation rights) against any person or any company prior to the date of loss, destruction or damage.

6. The City and County shall each pay one-half of net operating loss.
7. Operating expenses will include the loan payment and operation and maintenance costs included in the 1995 Performance Contract between Olmsted County and Johnson Controls, Inc. See Attachment A.
8. The City shall keep an accurate record of all fees and revenue received and all expenditures made and expenses incurred in the operation of the arena. "Net operating loss" or "net operating profit" shall be determined by subtracting the sum total of all expenditures made by the City and County in the operation of the arena and revenues received by the City and County in the operation of the arena. As soon after December 31st of each year as income and expense figures are available, the City Parks and Recreation Superintendent and County Public Works Director, or representatives of each, shall meet and agree upon the County's financial contribution as determined under the guidelines established in Section 6 of this Agreement.

The City Parks and Recreation Superintendent will inform the County Public Works Director of any special rates, discounts, exchange of facilities use, or other arrangements that differ from normal established rental rates or agreements.

9. The existing reciprocal agreement between the City and Rochester Independent School District 535 will not be expanded upon to provide additional ice time at original Graham Arena at existing reduced rate of \$20 per hour. Any additional ice time at original Graham Arena and/or Graham Arena East and North will be at the large user rate which is currently at \$95 per hour.
10. Any net operating profit in any calendar year shall be shared between the City and County in the same percentages as they would have shared net operating losses pursuant to Section 6 of this Agreement.

11. This Agreement shall automatically renew each April 1st, unless terminated in writing by either party. Any termination shall be effective on March 31st of any year, and shall be accomplished by written notice given by the terminating party to the other party at least 180 days prior to December 31st.

12. This Agreement supersedes the "Graham Arena Management Agreement" endorsed by Olmsted County, Dated September 13, 1983, October 28, 1993, and September 13, 1995, and endorsed by City of Rochester, Dated October 3, 1983, November 9, 1993, and September 7, 1995, and any other prior agreement between the parties concerning Graham Arena.

DATED: _____

COUNTY OF OLMSTED

BY _____
Chairperson
Board of County Commissioners

ATTEST _____
Clerk-Administrator

DATED: _____

CITY OF ROCHESTER

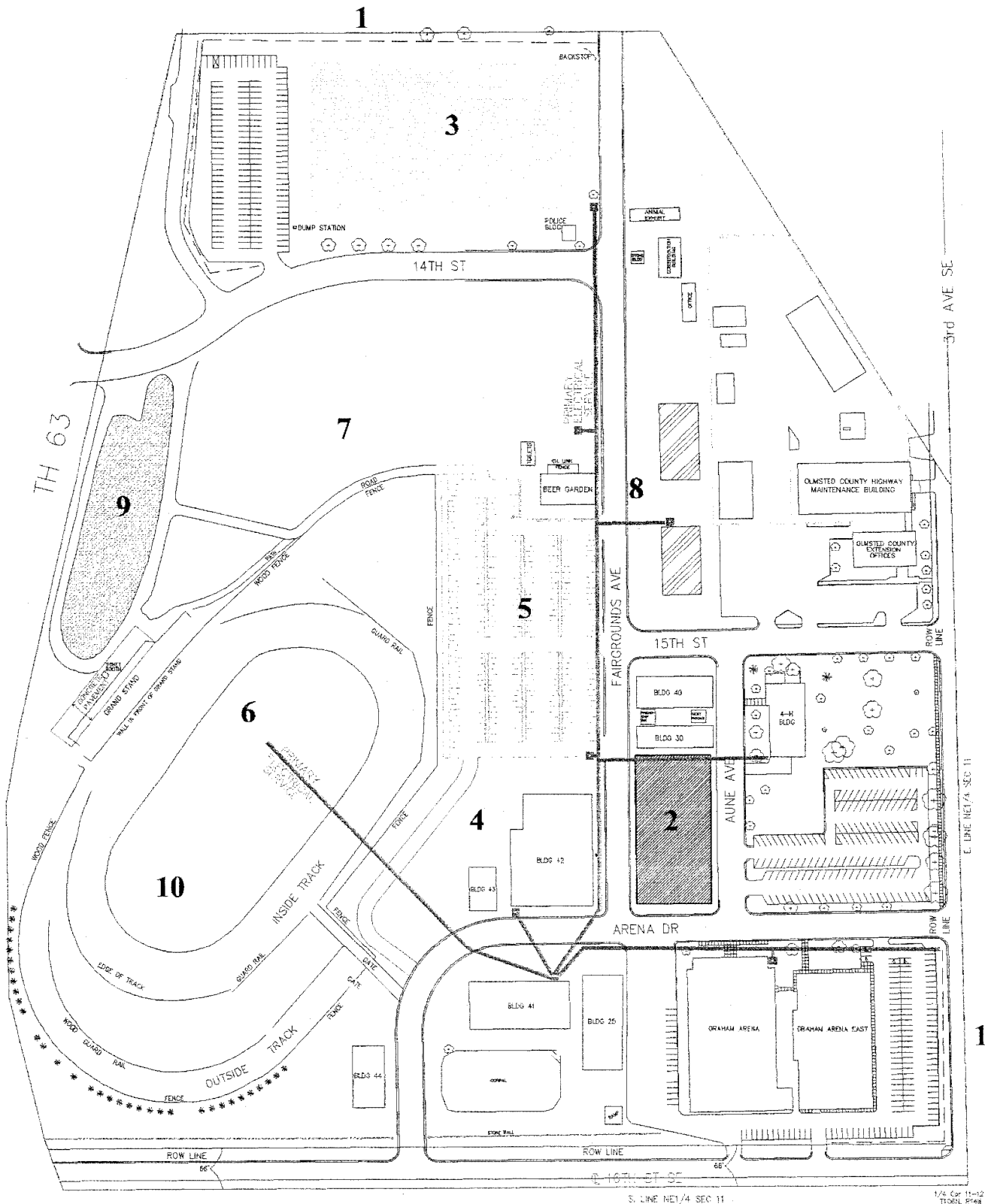
BY _____
Mayor

ATTEST _____
City Clerk

Olmsted County Graham Park

5 Year Capital Improvement Plan

1. Perimeter Fence 2. Ice Arena 3. 70 Unit Campground 4. Eliminate Half Mile Track 5. Additional Parking
6. Replace Electrical Distribution System 7. Remove Midway bathrooms
8. Renovate Buildings 31, 35 & Beer garden 9. Proposed Parking Lot 10. Athletic Lighting



Olmsted County Graham Park

5 - 10 Year Capital Improvement Plan

1. Construct Masque Theater
2. Construct Additional Arena
3. Remove and Replace Building 25 (Old Dairy Barn)
4. Remove and Replace Building 35 (Industrial Building)
5. Remove and Replace Beer Garden

